

Transmission Siting

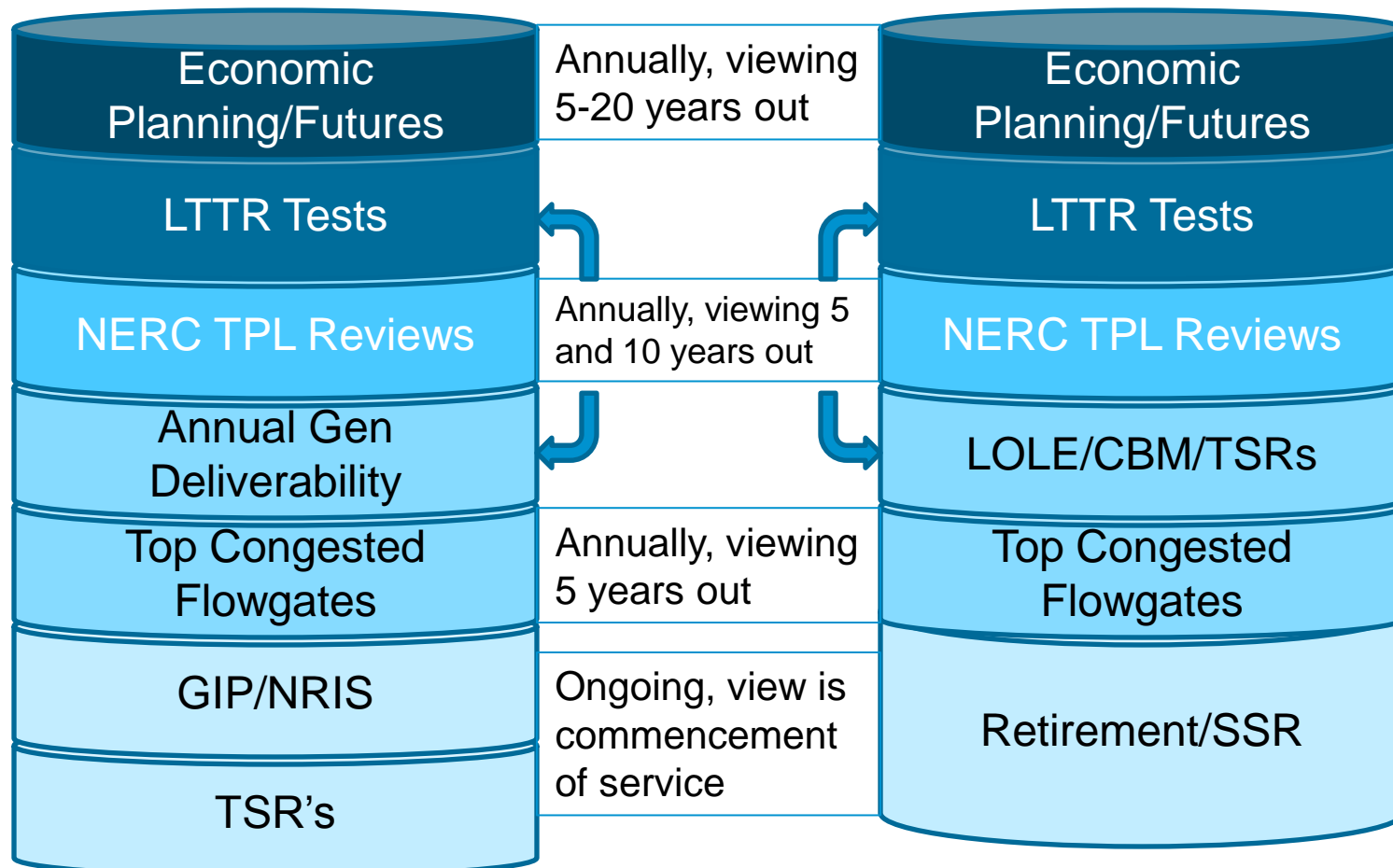
Windiana 2011

July 20, 2011

Planning Question

- **Is the system adequate for a wide range of foreseeable conditions?**
- **Is there a business case for new investment?**
 - Too much generation in a “zone” or “pocket” for the existing transmission
 - Too little generation in a “zone” or “pocket” for the existing transmission
 - What should that investment be? Transmission? Generation? Demand Response?
- **Questions analyzed perpetually from multiple directions in multiple time horizons**

Layers of Planning on 2 Questions

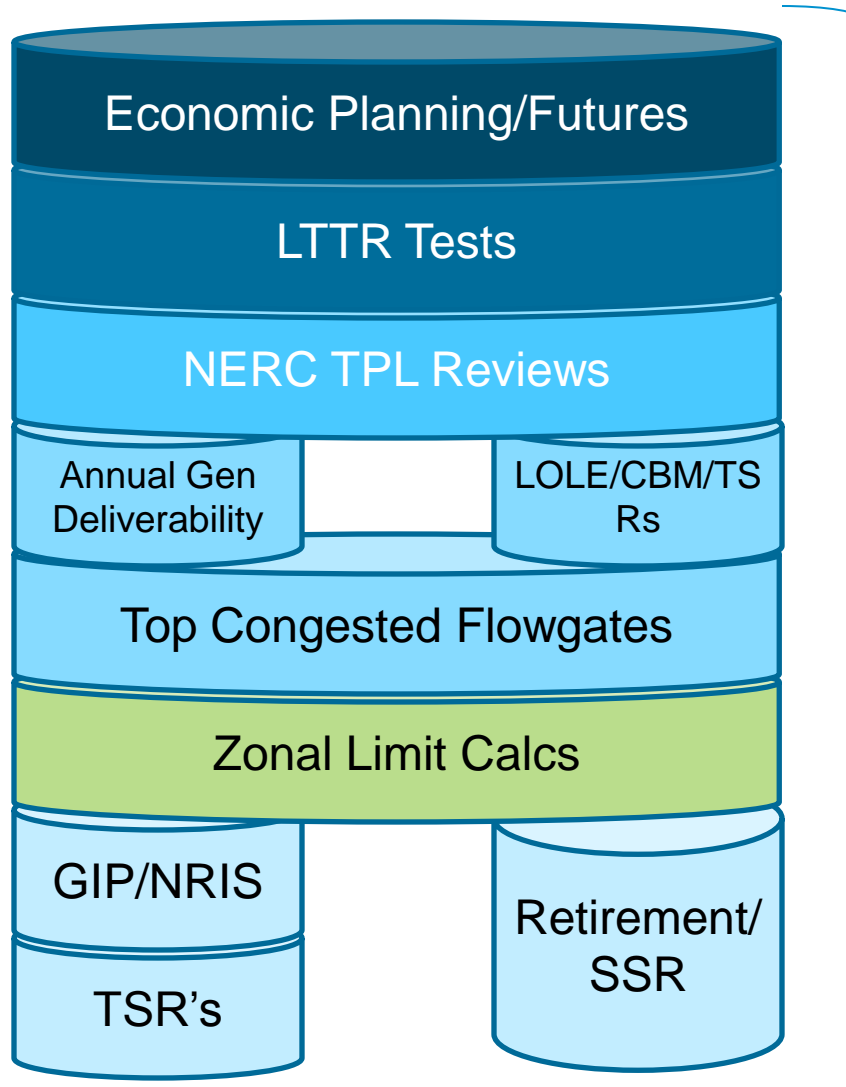


**Is there too much
generation in the
zone?**



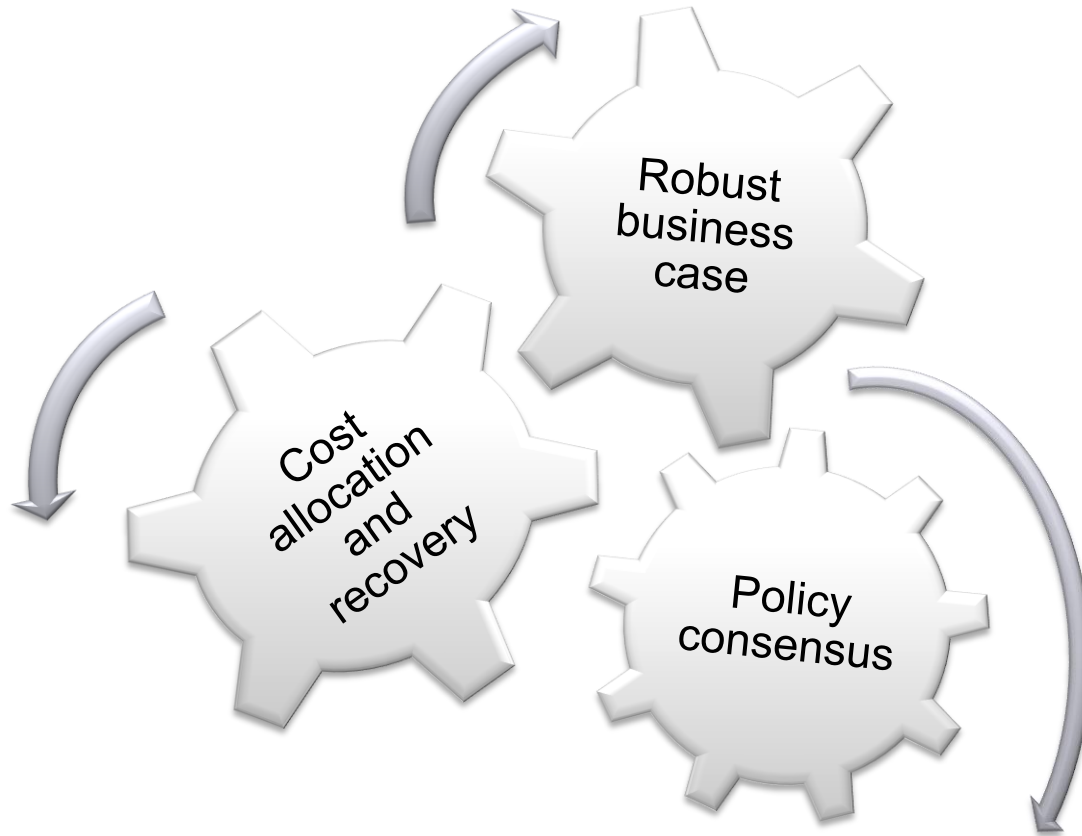
**Is there too little
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Results of Planning Process



- Appendix A Projects (stuff to be built)
- Areas of concern (targeted studies in next MTEP)

Conditions Precedent to Increased Transmission Build



Before transmission is built a number of conditions must be met

- Increased consensus on energy policies (current and future)
- A robust business case that demonstrates value sufficient to support the construction of the transmission project
- A regional tariff that matches who benefits with who pays over time
- Cost recovery mechanisms that reduce financial risk

Conclusions

- **Siting is predicated on the planning process**
- **A solid business case is needed to construct**
 - Why are you building?
 - What problem are you solving?
 - Who pays?
 - Who benefits?
- **The soundness of the business case is judged by the regulators**
- **Follow the Planning Process at www.misoenergy.org**
 - Click on “Planning”